STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: ARBON HAIRSTON,

)File No. 0400119

D/B/A SATELLITE DOCTORS

NOTICE OF HEARING

TO THE RESPONDENT:

Arbon Hairston

d/b/a Satellite Doctors
100 Emerson Avenue West

Apartment #311

West Saint Paul, Minnesota 55118

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953, [815 ILCS 5/1 et seq.] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 300 West Jefferson, Suite 300A, Springfield, Illinois 62702, on the 18th day of May, 2005, at the hour of 10:00 a.m., or as soon thereafter as counsel may be heard, before Jon K. Ellis, or such other duly designated Hearing Officer of the Secretary of State. A copy of the Rules under the Act pertaining to contested cases is attached to this Notice.

Said hearing will be held to determine whether an Order of Prohibition should be entered against Arbon Hairston, d/b/a/Satellite Doctors (the "Respondent") in the State of Illinois and granting such other relief as may be authorized under the Act including but not limited to imposition of a monetary fine in the maximum amount pursuant to Section 11 of the Act, payable within ten (10) days of the entry of the Order.

The grounds for such proposed action are as follows:

Count I (Violation of 12.A and 12.D)

- 1. That Respondent, Satellite Doctors was a business entity with a last known address of P.O. Box 178, Maryville, Illinois;
- 2. That, at all times relevant the Respondent Arbon Hairston was an officer, director, agent or employee of Satellite Doctors;
- 3. That on or about March 31, 2000, Arbon Hairston, d/b/a Satellite Doctors, (hereinafter "Hairston") offered and sold

Carole Riggin (hereinafter, "Riggin") a 90 day promissory note in return for a loan of \$5,000;

- 4. That the above-referenced promissory note is a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
- 5. That Section 5 of the Act provides, <u>inter alia</u>, that all securities except those set forth under Section 2a, or those exempt under Section 3, or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
- 6. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell any securities except in accordance with the provisions of the Act;
- 7. That Section 12.D of the Act provides, <u>inter</u> <u>alia</u>, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document required to be filed under any provision of the Act;
- 8. That at all times relevant hereto, the Respondent, Arbon Hairston, failed to file an application for registration of the above referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
- 9. That by virtue of the foregoing, the Respondent, Arbon Hairston, has violated Sections 12.A and 12.D of the Act;
- 10. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
- 11. That Section 11.E(4) of the Act provides, <u>inter alia</u>, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;

12. That by virtue of the foregoing, the Respondent, Arbon Hairston, is subject to a fine of up to \$10,000.00 per violation, an order of public censure, costs of investigation and reasonable expenses, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois;

Count II (Violation of 12.A and 12.D)

- 1-2. Paragraph 1-2 of Count I is re-alleged and incorporated as paragraph 1-2 of this Count II;
- 3. that on or about April 8, 2000, Arbon Hairston, d/b/a Satellite Doctors, (hereinafter "Hairston") offered and sold Morris Hargrove (hereinafter, "Hargrove") a 90 day promissory note in return for a loan of \$2,000;
- 4. That the above-referenced promissory note is a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
- 5. That Section 5 of the Act provides, inter alia, that all securities except those set forth under Section 2a, or those exempt under Section 3, or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
- 6. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation of the Act for any person to offer or sell any securities except in accordance with the provisions of the Act;
- 7. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document required to be filed under any provision of the Act;
- 8. That at all times relevant hereto, the Respondent, Arbon Hairston, failed to file an application for registration of the above referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
- 9. That by virtue of the foregoing, the Respondent, Arbon Hairston, has violated Sections 12.A and 12.D of the Act;

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- That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
- 11. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
- That by virtue of the foregoing, the Respondent, Arbon Hairston, 12. is subject to a fine of up to \$10,000.00 per violation, an order of public censure, costs of investigation and reasonable expenses, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above or a Special Appearance pursuant to Section 130.1107 of the Rules, or other responsive pleading within thirty days of the receipt of this notice. Your failure to do so within the prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives your right to a hearing.

Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default.

A copy of the Rules, promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondents.

Dated this 28th day of Mauch, 2005.

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Secretary of State State of Illinois

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Hearing Officer:
Jon K. Ellis
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Springfield, Illinois 62704
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